IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS CORPUS CHRISTI DIVISION

| JOSE ANGEL LOPEZ, et al., | § | |
|-----------------------------|---|--------------------------------|
| | § | |
| Plaintiffs, | § | |
| | § | |
| V. | § | CIVIL ACTION NO. 2:11-CV-00353 |
| | § | |
| ALLIS-CHALMERS ENERGY INC., | § | |
| et al., | § | |
| | § | |
| Defendants. | § | |

JOINT NOTICE OF SETTLEMENT IN PRINCIPLE

Pursuant to Local Rule 16.3, Plaintiffs and Defendants notify the Court that the parties have reached an agreement in principle to resolve this matter. Among other things, the agreement calls for the parties to prepare and submit to the Court in the near future a joint motion for approval of the settlement agreement terms. In the meantime, to facilitate settlement, the parties respectfully request that the Court vacate the current trial setting and scheduling order deadlines.

/s/Roger S. Braugh, Jr.

Roger S. Braugh, Jr.

Attorney-in-Charge

Federal I.D. No. 21326

Texas Bar No. 00796244

Craig M. Sico

Federal I.D. No. 13540

Texas Bar No. 18339850

SICO, WHITE, HOELSCHER & BRAUGH, L.L.P

802 N. Carancahua, Suite 900

Corpus Christi, Texas 78401

Telephone: 361/653-3300

Facsimile: 361/653-3333

<u>rbraugh@swbtrial.com</u> csico@swbtrial.com

ATTORNEYS FOR PLAINTIFFS

Michael J. Muskat

Attorney-in-Charge
Federal I.D. No. 22816
Texas Bar No. 24002668

MUSKAT, MARTINEZ & MAHONY, LLP
1201 Louisiana Street, Suite 850
Houston, Texas 77002
Telephone: 713/987-7850
Facsimile: 713/987-7854

MMuskat@m3law.com

Jorge C. Rangel
Federal I.D. No. 5698
Texas Bar No. 16543500
jorge.c.rangel@rangellaw.com
THE RANGEL LAW FIRM, P.C.
615 N. Upper Broadway, Suite 2020
Corpus Christi, Texas 78477
Telephone: 361/883-8500
Facsimile: 361/883-2611

ATTORNEYS FOR DEFENDANTS ALLIS-CHALMERS ENERGY INC., ALLIS-CHALMERS TUBULAR SERVICES LLC F/K/A ALLIS-CHALMERS TUBULAR SERVICES, INC., ARCHER TUBULAR SERVICES LLC, ARCHER DRILLING LLC, ALLIS-CHALMERS MANAGEMENT LLC, ARCHER UNDERBALANCED SERVICES LLC, ARCHER PRODUCTION AND COMPLETION SERVICES LLC, ARCHER DIRECTIONAL DRILLING SERVICES LLC, AND ARCHER RENTAL SERVICES LLC

CERTIFICATE OF SERVICE

I hereby certify that the foregoing has been filed on this the 6th day of February, 2013, pursuant to the electronic filing requirements of the United States District Court for the Southern District of Texas which provides for service of counsel of record in accordance with the electronic filing protocols in place.

/s/Michael J. Muskat MICHAEL J. MUSKAT